

**Annual Update  
of the  
Michigan Aeronautics Commission**

This report provides a summary of Michigan Aeronautics Commission (MAC) proceedings for the Fiscal Year 2013 (FY13). It also includes a report of operations of the Michigan Department of Transportation's Office of Aeronautics (MDOT), specifically actions taken on behalf of MAC for further development, promotion, and safety of aviation, including aeronautical facilities and services.

**Proceedings of the Michigan Aeronautics Commission  
October 1, 2012 – September 30, 2013**

**1. Program/Grant/Contract Approvals**

The Airport Improvement Program (AIP) enables projects to be undertaken at Michigan airports to improve aviation safety, preserve or improve the existing infrastructure, enable purchase of airfield equipment, improve or construct new facilities at airports, and support local economic growth by increasing the capacity of airport facilities. AIP is funded via federal, state, and local funds. It is augmented by programs utilizing state and local funding only. Funding for all of the airport improvement programs is appropriated via Section 119. Capital Outlay, of MDOT's FY13 funding legislation, P.A. 200 of 2012. Transfers of the appropriated funds for projects specified in contracts (grants to the Airport Sponsor – usually the owner), must be approved by MAC. Contract approvals occur throughout the fiscal year, at each of the six MAC meetings.

The report detailing MAC's approval of AIP contracts utilizing FY13 Capital Outlay appropriations is found on MDOT's website at:

[http://www.michigan.gov/documents/mdot/PA200\\_Section902\\_FY13\\_Airport\\_Improvement\\_Program\\_435717\\_7.pdf?20140203145237](http://www.michigan.gov/documents/mdot/PA200_Section902_FY13_Airport_Improvement_Program_435717_7.pdf?20140203145237).

To the extent Capital Outlay funds appropriated in previous fiscal years are available; MAC may approve contracts using those funds for AIP grant projects. The reports of all contracts approved by MAC during FY13 (utilizing FY13 and previous fiscal year appropriations), are available on MDOT's website at:

[http://michigan.gov/documents/aero/FY13\\_MAC\\_Contract\\_Approvals\\_451032\\_7.pdf?20140327105424](http://michigan.gov/documents/aero/FY13_MAC_Contract_Approvals_451032_7.pdf?20140327105424).

These reports are organized by MAC's FY13 meeting dates: November 14, 2012, January 23, March 21, May 15, July 24, and September 11, 2013.

In addition to the above AIP grant contracts utilizing Capital Outlay funds, MAC approved the following contracts:

January 23 – MAC approved contracts for eight airports for the Air Service Program, Airport Awareness grant category. Funds are used to enhance community understanding

and support of the services available at the local airport through advertising, educational outreach, airport open houses, website development and similar initiatives.

MAC also approved contracts for eight airports for the Air Service Program's Capital Improvement & Equipment grant category. These funds are used for high priority facility improvements or equipment acquisition in situations where other funding programs are unavailable or cannot be used. Examples of the projects include purchase of security cameras, handicapped-accessible doors, defibrillators, baggage carts, utility vehicles (brush and snow removal), and refurbishment of an aircraft de-icing truck. Approved contracts in total, obligated \$503,001 of Air Service Program funds. Contract descriptions are available at this link:

[http://michigan.gov/documents/aero/Air\\_Service\\_Contracts-January\\_2013\\_MAC\\_Meeting\\_450532\\_7.ppt](http://michigan.gov/documents/aero/Air_Service_Contracts-January_2013_MAC_Meeting_450532_7.ppt)

January 23 – MAC approved a grant program not to exceed \$36,000 for eligible commercial service airports to assist in fulfilling training requirements for Aircraft Rescue and Firefighting (ARFF) services. Funds come from the Air Service Program appropriation, and training must meet applicable federal requirements and be provided by an approved federal training source. The program provides up to 50 percent of costs, limited to a maximum of \$2,000 for each airport.

May 15 – MAC approved a contract providing \$18,000 through the Airports Program to the Michigan Association of Airport Executives (MAAE), for conducting workshops, training programs, seminars and conferences to support education and training of airport managers and staff throughout Michigan. In addition, the grant will help support student scholarships for those pursuing an aviation-related education by enhancing the existing scholarship program available through the MAAE. The Airports Program is funded via appropriations provided in Section 114, Aeronautics Services of PA 200 of 2012. The MAAE contributed \$3,000 bringing the total funds available for training efforts to \$21,000.

July 24 – MAC approved a \$100,000 loan to the sponsors of the Beaver Island Airport to be used for the construction of a new terminal building and associated site improvements. The loan funds are needed to provide local matching funds to secure federal and state funds for the majority of the project costs. The airport sponsor has 10 years to repay the loan with a 3.3 percent interest rate. (The interest rate is determined annually by the Michigan Department of Treasury, which also must determine the airport sponsor's ability to repay the funds prior to MDOT being able to submit the proposed loan for MAC's approval.)

July 24 – MAC approved a recommendation that a Request for Proposal (RFP), be issued to seek professional consulting services for an update of MDOT's Policy Plan for Michigan Air Service. The current plan was last updated in 2001. Since then many changes have occurred in the aviation industry, communities, and funding capacity of MDOT. The purpose of the consulting services would be to provide recommendations to MAC and MDOT as to the most appropriate role in advising communities in retaining

and recruiting commercial air service including essential air service. The cost for the consultant services is not to exceed \$100,000 of FY13 Air Service Program funds, and project completion is to occur within 24 months of contract issuance. Anticipated issuance is June, 2014.

## **2. Legislation, Rules and Regulations, MAC By-Laws**

Pursuant to Section 151 of the Aeronautics Code of the State of Michigan, MAC approved Airport Approach Plans for the following airports:

March 21 – Boulder Canyon Airport, Belding

July 24 – Burgess Field, Brown City

September 11 – Huron County Memorial Airport, Bad Axe

July 24 – In accordance with MAC Bylaws, Article VII, Special Committees, Chairman VanderVeen established an advisory committee to review operations of MDOT's state owned aircraft with the goal of providing advice and assistance. Commissioner Fiddler is to serve as Committee Chair, with Commissioner Salo and Vice Chairman Kamarainen to serve as members of the Committee. Areas to be reviewed include Operating Rules and Regulations, updating the Operations Manual, and developing a Safety Management System (SMS). The Committee Chair and its members all have expertise in operating aircraft and fleets, so this is a good opportunity for an overall review of MDOT operations.

September 11 – Pursuant to Article IV of the MAC By-Laws, MAC is required to elect annually from its membership, a chairperson and a vice chairperson, each for a term of one year. MAC elected Commissioner Kamarainen as Chairman and Commissioner Salo as Vice Chairman for the one year term beginning October 1, 2013.

September 11 – In accordance with the MAC By-Laws, Article VII, Special Committees, with the election of Commissioner Kamarainen to MAC Chairman, the Chair of the General Aviation Committee will be changed. Current Committee member and Commissioner Salo has agreed to serve as Chair of the General Aviation Committee. Also, it was announced that the MAAE has been requested to designate someone to serve on this Committee.

September 11 – MAC Chairman VanderVeen also announced the creation of the Commercial Air Service Committee. The committee is charged to evaluate policies and strategies related to commercial air service in Michigan. It will review and evaluate findings of MDOT's air service consultant (yet to be selected) and recommend actions to MAC. Commissioner Kavalhuna has experience working for a commercial airline and agreed to serve as Committee Chair. Current MAC Chair VanderVeen will be the Vice Chair of the Committee. A representative from MAAE was requested to serve also.

### **3. Policies**

July 24 – MAC received a presentation on meteorological evaluation towers (MET), and National Transportation Safety Board (NTSB) recommendations for marking the towers. These temporary towers are less than 200 feet high and measure wind speed, direction and duration. This information is used to determine suitable locations for wind turbines. There is no requirement in Michigan or by the Federal Aviation Administration (FAA) for these towers to have safety markings to enhance their visibility. MAC asked for recommendations on this matter.

September 11 – MDOT provided an update to MAC regarding additional research on MET as well as the results of a voluntary program for marking of the towers in accordance with a FAA Advisory Circular. MDOT also recommended more public input on the topic be gathered, including hosting public discussions with various government and industry associations; reviewing MAC Rules to identify the feasibility of revisions, increasing awareness of the voluntary program, and placing more information on MDOT's web. MAC approved all recommendations.

### **4. Financial Statements**

As required by the State Constitution and Public Act 431 of 1984, the State Budget Office, Office of Financial Management, prepared the State of Michigan Comprehensive Annual Financial Report (SOMCAFR) for Fiscal Year 2013. This report contains information relating to the financial position and results of operations of state primary government and component units. The portion of the report containing financial statements reflecting the State Aeronautics Fund begins on page 172. The SOMCAFR is located at:

[http://www.michigan.gov/documents/budget/CAFR\\_FY\\_2013\\_444277\\_7.pdf](http://www.michigan.gov/documents/budget/CAFR_FY_2013_444277_7.pdf).

### **5. Conferences, Classes and Seminars**

MAC and/or Office of Aeronautics staff participated in the following functions during FY 2013:

October	American Association of State Highway and Transportation Officials (AASHTO) National Leadership Training Conference, Annapolis, MD
October	Grand Opening ceremony for the new terminal building at MBS International Airport, Saginaw
October	Aviation Fuel Safety Seminar, Lansing, co-sponsored by AvFuel Corporation of Ann Arbor and MDOT Aeronautics: Attendance: 75 Airport Fixed Base Operators and Line Service personnel
January	Transportation Research Board Meeting, Washington, D.C.

January	MDOT Highway Alignment and High Impact Meetings, Lansing
January	Annual MDOT/American Council of Engineering Companies (ACEC) Partnering Workshop, Lansing
January	Great Lakes Aviation Conference and Expo featuring educational sessions on various aviation topics including seminars for pilots, mechanics and Fixed Base Operators (FBO), Eastern Michigan University (EMU), Ypsilanti. MDOT Aeronautics also staffed a booth and exhibited MI Aviation System Information at the Expo.
February	AASHTO Washington Briefing, Washington, D.C.
February	SimCom, Professional Pilot Recurrent Training, Orlando, FL
February	MDOT/Michigan Association of Airport Executives (MAAE), Airport Conference, East Lansing
March	Michigan Business Aviation Association (MBAA)/MAAE Legislative Day, Lansing
April	AASHTO National Leadership Conference, Indiana University, Indianapolis, IN
April	FAA Safety Stand down, EMU, Ypsilanti
May	American Association of Airport Executives (AAAE) Annual Conference, Reno, NV
May	FAA Runway Safety Action Team Meeting, Lansing
August	Michigan Advanced Aerial Systems Consortium, Alpena Combat Readiness and Training Center
August	Association of Unmanned Vehicle International Conference, Washington, D.C.
September	MAAE Annual Conference, Traverse City
September	2013 NASAO Annual Convention and Tradeshow, Sioux Falls, SD
September	AASHTO National Leadership Conference, Tucson, AZ
September	An Open House is held at Canton-Plymouth-Mettetal Airport. The airport is owned by MDOT and the event helped to increase the public's general knowledge of airport operations and services. It also provided

opportunities to increase the public's interest in aviation and various aircraft.

September     The Michigan Air Tour 2013 is presented by the Michigan Aviation Association in celebration of Michigan Aviation Month. It included stops at four airports with presentations on the value of each airport and how it contributes to the economy. This is one of a dozen or more events being held throughout Michigan to commemorate Michigan Aviation Month.

As part of MDOT's Aviation Safety and Education Program, aircraft pilot safety seminars conducted by qualified Aeronautics staff are offered to pilots and are held throughout the state at local airports. During FY13, 17 Safety Seminars were held, with approximately 460 attendees. Seminar locations included Alma, Battle Creek (Western Michigan University), Benton Harbor, Big Rapids, Clare, Midland, Hart Shelby, and West Branch, among other locations.

## **6. Other Notable Events or Actions**

November – MAC was presented an update of recent General Aviation Committee activities. Its October meeting focused discussion upon initiatives for promoting general aviation growth and development in Michigan, which is the mission statement of the committee. The report included an update on efforts to support a new unimproved airport certification for North Fox Island Airport. The goal is to work with the Department of Natural Resources, to open the strip for public use for recreational opportunities, along with potential emergency use. (This would build upon the success earlier with the Two Hearted River Airport, Paradise, which is identified by the Recreational Aircraft Foundation as an airport that can be used to fish, camp, and hunt.) Also, discussed were flying clubs and how they can be used to promote aviation.

November – MAC discussed recent developments concerning a proposal being considered by the administration at the federal level to assess a fee upon aircraft flying pursuant to instrument flight rules (IFR). The proposed fee of \$100 would be applied to each IFR Plan filed with FAA. MAC members expressed their concern with this proposal; safety could be compromised as many pilots (particularly those trying to build pilot hours), would not file an IFR plan due to the high fee that would be associated with the service. MAC members stated this was not a good way to address the funding issue, as safety could be compromised and it could affect business aviation, resulting in jobs becoming affected. Additionally, there was concern the proposal could be rolled up in a larger package for action by the U.S. Congress, which would leave insufficient time to address it separately. It was agreed that MDOT should obtain information as to the timing of potential action in Washington, D.C.; and if appropriate, communicate concerns to Michigan's Congressional Delegation.

November – MAC received information that the Michigan Economic Development Corporation (MEDC) was leading a statewide effort to look at Unmanned Aerial Systems (UAS) to determine how Michigan will position itself to capture opportunities relating to

this enterprise. Partners in this effort include the military, government (including MDOT), academia, aero industry and more. FAA is developing a request for proposals for six test sites to integrate the UAS into civilian airspace. Part of Michigan's effort is to respond to this request.

November – Chair VanderVeen recognized the talent of MAC's membership, which is comprised of both appointed and statutory members. The statutory members represent state departments which have a tie-in to aviation through the discharge of their primary responsibilities. It was suggested there would be a benefit from learning more about what the departments represented by statutory members do and how those responsibilities relate to MAC. It was agreed that each department representative would give a presentation about their organization at different times throughout the year.

The presentation schedule was:

January – Michigan Department of Natural Resources; March – Michigan Department of State Police; and July – Michigan Department of Military and Veterans Affairs. All presentations are available on MDOT's website at:

[http://michigan.gov/aero/0,4533,7-145-6771\\_6903\\_64762---Y\\_2013,00.html](http://michigan.gov/aero/0,4533,7-145-6771_6903_64762---Y_2013,00.html).

December – A letter was sent on behalf of MAC to Michigan's Congressional Delegation stating its opposition to the proposed \$100 per-flight user fee which was discussed at the Commission's November meeting. The letter identifies that the aviation industry is very significant to the United States, generating 1.2 million jobs and \$150 billion in economic activity. Aviation supports economic development opportunities and jobs, enhances efficiency and productivity, and provides important humanitarian relief during crises.

January – MDOT implemented its Upper Peninsula Air Shuttle on January 22. Twice a week on a regular basis the King Air 200 flight leaves Lansing at 7:00 a.m., for travel to Marquette. The return trip departs Marquette at 5:00 p.m., for Lansing, enabling state employees and officials nearly a full eight hour day to work, without costs associated with overnight, multi-day travel. The shuttle makes possible more efficient and productive use of employee work time throughout state government.

January – A presentation was made to MAC on MDOT's revised Strategic Plan which has set a "wildly important goal" (WIG) to improve customer satisfaction for 2013 from 73 to 80 percent by December. The method that will be used is called "Good Government in Action" which has four disciplines, the first of which is to focus on the 'wildly important.' At Aeronautics, the focus will be on improving the processing time of Airport Sponsor contracts from initiation to contract award, by 15 percent by October 1.

March – MAC received an update on the actions of its General Aviation (GA) Committee. Recent committee discussions (in part) focused on ways to encourage young people to pursue aviation as a hobby or career and how to support aerospace education in Michigan. Aerospace education would improve student learning in Science, Technology,

Engineering and Mathematics (STEM), all subjects essential to developing one's career potential. The GA Committee has discussed with high schools, airports and flight schools, possible ways to provide relevant aviation experiences to students. It is also working with the Aircraft Owners and Pilots Association to set up a foundation for this initiative.

March – MAC holds its annual joint meeting with the State Transportation Commission in Lansing. MDOT Director Kirk Steudle presented information on Michigan Truck Weight Laws and announced the February kick-off of MDOT's web based Customer Service Survey to gain feedback on how well it was doing in interacting with the public and meeting customer needs. MAC Director Mike Trout presented information on the history of aviation and its role in Michigan, powers and responsibilities of MAC and MDOT (implemented by its Office of Aeronautics), aviation programs and planning activities, efficiencies and innovations, and long range program funding needs.

May – The MAC meeting was held at the West Michigan Aviation Academy, a new charter high school located at the Gerald R. Ford International Airport in Grand Rapids. The Commission received a presentation on the school from its Chief Executive Officer, Mr. Patrick J. Cwayna, Sr. He provided an overview of the academy, which currently has 245 students coming from a radius of 50 miles. Its curriculum is similar to other schools, with a focus on aviation and engineering and at that time, was in its third year. Mr. Cwayna thanked several people for their support, including those affiliated with the airport and also Commissioner Rick Fiddler.

May – MAC received an update on the GA Committee, including continuing efforts to reopen North Fox Island Airport, encouraging STEM topics through the use of aviation related curricula in Michigan high schools and coordination with flight schools, and re-establishing Teacher Workshops, which focus on how educators can utilize aviation concepts to teach STEM topics.

Also, provided was a letter sent on behalf of MAC to the Superintendent of Grand Ledge Public Schools encouraging the school system to include aviation-related subjects in its STEM curriculum and offering to help with connections to aviation experts through the GA Committee.

May – MAC was briefed on MDOT's actions to work closely with the consortium formed during the fall of 2012, to develop a proposal for Michigan to be awarded a federally sponsored UAS test site. The application was filed with FAA on May 6. The decision for site selection is to occur no later than December 31, 2013. (Though ultimately not selected by FAA, there are continued efforts to advance the use of UAS in the state.)

June – Long-time pilot and former MAC Chairman Fred C. Rakunas of Eastport received the FAA's Wright Brothers Master Pilot Award on June 29, at the National Cherry Festival Air Show in Traverse City. This award recognizes pilots who have demonstrated professionalism, skill, and aviation expertise by maintaining safe operations for 50 or

more years. Commissioner Rakunas served on MAC from 1999-2003, has been a pilot since 1952, is rated in 16 types of large aircraft, is a certified flight instructor (airplanes, seaplanes and helicopters), and has logged more than 30,000 flight hours.

July – MAC learns that MDOT’s 2013 “WIG” to improve the processing time for airport sponsor contracts was very successful, with a 45 percent reduction in average processing time for five months in a row. This effort was undertaken in conjunction with MDOT’s “Good Government in Action Initiative.”

July – MDOT hosted the Youth Development and Mentoring Program for the fourth consecutive year on July 12. The 120 students and mentors were provided a presentation on Aeronautics’ duties and possible careers in aviation. They received a tour of the MDOT aviation facility and various aircraft and airport equipment. All students had an opportunity to ask questions of aircraft pilots and public safety officers.

July – MAC received an update of activities pertaining to UAS, noting that FAA received 25 proposals seeking to be selected as one of six test sites nationwide, including MDOT’s submittal on behalf of the Michigan Advanced Aerial Systems Consortium (MI-AASC). MDOT has become the lead agency in this effort and commended MEDC and DMVA for their outstanding efforts and hard work in applying for the UAS test site in Michigan. A kick-off event is scheduled at the Alpena County Regional Airport in August.

August – Governor Rick Snyder proclaims September as Michigan Aviation Month. Aviation activities contribute more than \$20 billion annually to the state’s economy. More than a dozen events will be held throughout the month to highlight aviation values.

September – MAC was advised that Ms. Carol Aldrich, Manager, Project Management Unit, MDOT was being recognized by NASAO at its annual conference and is the recipient of its nationwide Distinguished Service Award. Ms. Aldrich was congratulated and thanked for her dedication and excellent work with MDOT.

September – MAC presents two individual Awards of Excellence to Mr. Paul Welke and Mr. Aaron Cook.

Mr. Welke has worked in the field of aviation for nearly 40 years and is the owner of Island Airways. He has flown nearly 31,000 hours over his long career and has transported well over 350,000 passengers between Charlevoix and Beaver Island. He was recognized for both providing safe, efficient and valued air service and by advancing aeronautics in Michigan through daily demonstrating how aviation provides essential services to communities across the state.

Mr. Cook has years of experience as a flight instructor and a corporate pilot in a wide range of aircraft. He has been Director of Northwestern Michigan College’s Aviation Program since 2006 and has implemented numerous best practices and innovative processes to dramatically improve productivity within the program. He recently secured

support for a UAV Training Curriculum within the program that will be one of the first of its kind. Mr. Cook's commitment to excellence in aviation and his implementation of innovative and best practices and obtaining college support for the UAV training program was recognized by MAC's bestowing of its Award of Excellence.

September – MAC presents its organizational Award of Excellence to the National Cherry Festival Airshow Committee. The Festival has provided free airshow demonstrations over West Grand Traverse Bay for over 25 years and is a true community working committee filled with volunteers including aeronautic enthusiasts, Sheriff, Fire and Rescue personnel from several counties and Traverse City, DNR, FAA, Transportation Safety Administration, U.S. Coast Guard, Northwestern Michigan College Aviation Department, Munson Medical Center's North Flight Medical Team, and Regional and National Media, among others. The committee's work brings significant economic impact to the community and state through the demonstration of flight.

#### **6. Fiscal Year 2013 Measurements:**

- Total contracts (Airport Sponsor for AIP, Air Service Program, Weather Services, and with the FAA), awarded in FY14: 203, having a total value of \$41,381,405 (federal, state, and local funds).
- Airport Development Projects: 61 projects let
- Statewide Paint Marking Program: 13 airports
- Statewide Crack Sealing Program: 15 airports
- Pavement Condition Index (PCI), Inspections and Reports: 30 airports
- Tall Structure Reviews: 1,734 applications reviewed, including 542 wind turbine applications
- Small General Aviation Contract Closeouts: 101 completed
- Primary Airport Contract Closeouts: 18 completed
- State Block Grant Contract Closeouts: 10 completed
- State Aircraft Utilization: 9 percent increase in flight hours over FY 12
- Safety Seminars for Pilots: 17 seminars, approximately 461 total attendees
- Licensed Public Use Airports: 235
- Aircraft with Michigan registrations: 6,423